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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/672,066	09/28/2000	Jay S. Walker	00-058	7007
22927	7590	05/14/2004	EXAMINER	
WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD, CT 06905			MYHRE, JAMES W	
		ART UNIT	PAPER NUMBER	
		3622		
DATE MAILED: 05/14/2004				

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/672,066	WALKER ET AL. <i>MW</i>	
	Examiner	Art Unit	
	James W Myhre	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 17 March 2004.
- 2a) This action is FINAL. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1-29 is/are pending in the application.
 - 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 1-29 is/are rejected.
- 7) Claim(s) _____ is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____. |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>7, 11, & 12</u> . | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| | 6) <input type="checkbox"/> Other: _____. |

DETAILED ACTION

Response to Amendment

1. The amendment and response filed on March 17, 2004 has been considered but is ineffective to overcome the Girouard et al (4,982,346), Humble (4,833,308), Off et al (5,173,851), and Myhre (Examiner's Affidavit, April 11, 2003) references. The Examiner notes that no amendment was submitted, only a response with arguments. Therefore, the currently pending claims remain Claims 1-29.

Information Disclosure Statement

2. The three Information Disclosure Statements (IDSs) submitted on November 3, 2003 (paper number 7), March 12, 2004 (paper number 12), and March 17, 2004 (paper number 11) have been considered. However, the Examiner reminds the Applicant that only pertinent prior art should be submitted for review. A large number of the submitted prior art had no pertinence whatsoever to the present invention, which is directed towards a system and method for handling a transaction in which a "pricing benefit" (i.e. discount) is applied to the purchase price. For example, paper number 11 included such wide ranging prior art as EP 0,607,686 "System and method for selecting optional inserts with optimal value in an inserting machine" (i.e. stuffing envelopes); an article by Linnen "AT&T comments on new FCC rules to curb slamming" (i.e. involuntarily switching long distance providers); a website "HomeShark Refinance Check" (i.e. refinancing your home); a website "General trading information and terms provided by

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tradingfloor.com" (i.e. online stock market trading), etc. Submission of such a large number of prior art, especially prior art of little if any relevancy to the present invention, raises the question on whether or not the Applicant is attempting to hide highly pertinent prior art by burying it in a mountain of other prior art.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-3, 5, 6, 8-21, 23-27, and 29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Girouard et al (4,982,346) in view of Humble (4,833,308).

Claims 1, 11, 27, and 29: Girouard discloses a method, program, and apparatus for handling a transaction, comprising:

- a. Receiving product information pertaining to a product to be included in the transaction (col 16, lines 30-33);
- b. Performing a pricing activity (col 4, lines 56-57 and col 17, lines 6-36); and
- c. Determining a pricing benefit for the transaction (col 4, lines 36-39 and 52-55).

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While Girouard discloses the above steps, it is not explicitly disclosed that the pricing benefit is a result of a product initially selected by the customer. However, Humble discloses a similar method, program, and apparatus for handling a transaction which also discloses the customer first selecting a product (col 2, lines 33-36) and then a benefit (coupon) being determined for the selected product (col 2, lines 41-53). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the customer in Girouard to select the desired product prior to displaying the benefit associated therewith. One would have been motivate to perform the steps in this order in order to better target the benefit to a product that the customer desires; thus, increasing the likelihood of acceptance by the customer.

Claims 2 and 12: Girouard and Humble disclose a method and apparatus for handling a transaction as in Claims 1 and 11 above, and Girouard further discloses scanning the bar code of the product (col 4, line 61 - col 5, line 14).

Claim 3: Girouard and Humble disclose a method for handling a transaction as in Claim 1 above, and Girouard further discloses the system having a keyboard (col 11, line 59 – col 12, line 10) or touch screen (col 11, lines 38-58) for data entry by the customer. Girouard further explicitly discloses that the product data is entered as alphanumeric data using the keyboard or touch screen. When selecting a desired product, the user enters a desired category of products, is presented with an alphabetic list of products in that category, and enters one or more letters to identify the desired product (col 12, line 41 – col 13, line 43).

Claims 5 and 6: Girouard and Humble disclose a method for handling a transaction as in Claim 1 above, and Girouard further discloses the pricing activity including viewing an advertisement (col 4, lines 56-57) or completing a survey (col 17, lines 6-36).

Claim 8: Girouard and Humble disclose a method for handling a transaction as in Claim 1 above, and Girouard further discloses outputting the benefit (e.g. printing the coupon)(col 4, line 61 - col 5, line 15 and col 15, lines 9-11).

Claims 9 and 10: Girouard and Humble disclose a method for handling a transaction as in Claim 1 above, and Girouard further discloses that the benefit is a discount on the product or transaction (col 4, lines 36-39 and 52-55).

Claims 13-15: Girouard and Humble disclose an apparatus for handling a transaction as in Claim 11 above, and Girouard further discloses the customer using a computer with all of the usual peripheral devices to include a touch screen and external communication capabilities (col 4, line 61 - col 5, line 14).

Claims 16 and 20: Girouard and Humble disclose an apparatus for handling a transaction, comprising:

An enclosure (kiosk) containing a display screen, a keyboard, and a processor which has been programmed to receive input via the keyboard, guide the customer in performing a pricing activity, determining a pricing benefit, and displaying the appropriate controls on the display screen as discussed in Claim 1 above. While it is not explicitly disclosed that the enclosure including seating for the customer and a privacy means for covering the entrance, Official Notice is taken that this type of

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enclosure (kiosk) is old and well known in the marketing arts. For example, for the past several decades photo kiosks have been prevalent within malls and other large stores. These kiosks are configured to allow a customer to enter the enclosure, drawn a curtain over the entrance, and sit down on an opposing seat when operating the kiosk. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the customer in Girouard to cover the entrance and to sit down while operating the system. One would have been motivated to include these features in order to facilitate the kiosk's use by physically handicapped customers, i.e. those who cannot stand at an upright kiosk for long periods of time, and to provide a degree of privacy when the customer is scanning in products or completing personal questions on Girouard's disclosed surveys which may cause embarrassment to some. Furthermore, the Examiner notes that the whether or not the user of the kiosk is "enclosed", "seated", or "standing" has no bearing whatsoever on how the steps of the method are being performed as shown by the exclusion of these features in the pricing terminal in independent claim 11 which completes the same two steps of allowing a customer "to perform a pricing activity" and "determining a pricing benefit for the transaction based on the pricing activity".

Claim 17: Girouard and Humble disclose an apparatus for handling a transaction as in Claim 16 above, and further disclose entering product data pertaining to a product to be included in the transaction as discussed in Claim 1 above.

Claims 18 and 25: Girouard and Humble disclose an apparatus for handling a transaction as in Claims 16 and 17 above, and Girouard further discloses scanning the bar code of the product (col 4, line 61 - col 5, line 14) as in Claims 2 and 12 above.

Claim 19: Girouard and Humble disclose an apparatus for handling a transaction as in Claim 16 above, and Girouard further discloses including means for storing products selected for purchase by the customer, i.e. a database containing the item list (col 15, line 66 - col 16, line 39).

Claim 21: Girouard and Humble disclose an apparatus for handling a transaction as in Claim 16 above, and Girouard further discloses the customer using a computer with all of the usual peripheral devices to include external communication capabilities (col 4, line 61 - col 5, line 14).

Claims 23 and 24: Girouard and Humble disclose an apparatus for handling a transaction as in Claim 16 above, and Girouard further discloses using a printer to print the benefit code (coupon)(col 4, line 61 - col 5, line 14 and col 15, lines 9-11).

Claim 26: Girouard and Humble disclose an apparatus for handling a transaction as in Claim 16 above, and Girouard further discloses entering data using a magnetic strip card reader (col 15, line 66 - col 16, line 39 and col 22, lines 59-61).

5. Claims 7, 22, and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Girouard et al (4,982,346) in view of Humble (4,833,308) as applied to claims above, and further in view of Off et al (5,173,851).

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Claim 7: Girouard and Humble disclose a method for handling a transaction as in Claim 1 above, however neither reference explicitly discloses communicating the benefit directly to the POS terminal. Off discloses a similar method for handling a transaction in which the benefit (coupon) may be printed out or sent directly to the POS terminal through the network (col 12, lines 56-62). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to send the benefit in Girouard to the POS terminal of the retailer who offered the benefit. One would have been motivated to send the benefit directly to the POS terminal in order to eliminate the need to print the coupon as discussed by Off.

Claim 22: Girouard and Humble disclose an apparatus for handling a transaction as in Claim 21 above, however neither reference explicitly discloses communicating the benefit directly to the POS terminal. Off discloses a similar method for handling a transaction in which the benefit (coupon) may be printed out or sent directly to the POS terminal through the network (col 12, lines 56-62). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to send the benefit in Girouard to the POS terminal of the retailer who offered the benefit. One would have been motivated to send the benefit directly to the POS terminal in order to eliminate the need to print the coupon as discussed by Off.

Claim 28: Girouard and Humble disclose a method for handling a transaction, comprising:

- a. Receiving product information pertaining to a product to be included in the transaction (col 16, lines 30-33);

- b. Performing a pricing activity (col 4, lines 56-57 and col 17, lines 6-36);
and
c. Determining a discounted price for the transaction (col 4, lines 36-39
and 52-55).

While Girouard discloses the above steps, it is not explicitly disclosed that the pricing benefit is a result of a product initially selected by the customer. However, Humble discloses a similar method, program, and apparatus for handling a transaction which also discloses the customer first selecting a product (col 2, lines 33-36) and then a benefit (coupon) being determined for the selected product (col 2, lines 41-53). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the customer in Girouard to select the desired product prior to displaying the benefit associated therewith. One would have been motivated to perform the steps in this order in order to better target the benefit to a product that the customer desires; thus, increasing the likelihood of acceptance by the customer.

While neither reference explicitly discloses that the discounted price for the transaction is determined (when using the coupon), such a step is inherent. Furthermore, Off discloses a similar method for handling transaction which also determines and displays the discounted price to the customer (col 5, lines 21-25). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to determine the discounted price for the product in Girouard. One would have been motivated to determine and display the discounted price in order

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to allow the customer to make a more informed decision on whether to purchase the discounted item or not.

6. Claim 4 is rejected under 35 U.S.C. 103(a) as being unpatentable over Girouard et al (4,982,346) in view of Humble (4,833,308) as applied to claim 1 above, and further in view of Myhre (Examiner's Affidavit, December 22, 2003).

Claim 4: Girouard and Humble disclose a method for handling a transaction as in Claim 1 above, but neither reference explicitly disclose that the pricing activity includes agreeing to or completing a transaction with another retailer. However, as shown in the Examiner's Affidavit (Myhre, December 22, 2003) it is old and well known for a customer to receive a reward at one merchant for agreeing to or completing a transaction with another merchant (e.g. signing up with a cellular phone service company in order to receive a discount when buying the actual cellular phone from a retailer). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such an activity as one of the pricing activities performed by the customer in Girouard. One would have been motivated to include this type of activity in order to expand the promotional rewards available to the customer.

Response to Arguments

7. Applicant's arguments filed March 17, 2004 have been fully considered but they are not persuasive.

a. The Applicant argues in reference to Claim 1 that Girouard does not disclose determining a pricing benefit for the transaction or that the pricing benefit is based on the pricing activity (page 2). The Examiner notes that Humble was used in the rejection to show that the pricing benefit (coupon) can be used during the present transaction in that the promotional product (couponed product) "may be conveniently located at a promotional counter adjacent the checkout station, such that the customer may readily add same to the order being purchased" (col 3, lines 4-7). Since Girouard discloses that his mall promotion network device (kiosk) not only allows the user to select products, complete surveys and sweepstakes, and receive coupons for the selected products in response to completing the surveys/sweepstakes, but also allows the user to place a purchase order for one or more of the products, it would have been obvious that the coupon could be used for a product on the purchase order as discussed by Humble. As for determining the pricing benefit based on the pricing activity, the Applicant discusses how Girouard teaches that upon completion of the survey "a coupon or other discount offer is sent to the printer" and then argues "that the benefit is determined regardless of how the pricing activity is performed". The Examiner notes that Girouard discloses that the user only receives the coupon or other discount offer if the pricing activity (survey) is completed successfully. If the user does not complete the survey by answering the last question, then it would be determined that no pricing benefit would be delivered. Thus, the pricing benefit is based upon successful completion of the pricing activity. While not explicitly claimed, it would have also been obvious that the value of the discount/coupon could be adjusted or based on such

factors as the length of the survey, the type of information being solicited from the user, the type or cost of the product receiving the discount, or any other criteria desired by the marketer. As for the Applicant's final argument in reference to Claim 1 that neither reference suggests "a desirability of targeting a benefit to a particular product that a customer desires" (pages 2 and 3), the Examiner notes that Girouard discloses that the user may select a desired product or a desired coupon. It would be obvious that the user would select a coupon which would give a discount on a product that the user was interested in purchasing. It would be highly unlikely that the user would select a coupon giving a discount on some product which is not being currently purchased, not desired to be purchased in the future, and not likely to ever be used by the user. The Applicant only has to look at any one of dozens of references out the hundreds of references cited in the five Information Disclosure Statements filed in this application to see how prevalent this motivation is in the field of targeted marketing.

b. The Applicant argues in reference to Claim 3 that Girouard does not disclose entering "alphanumeric data indicative of the at least one product" (page 4). The Examiner notes that Girouard discloses a keyboard and a touch screen as two types of input devices attached to the kiosk and further discloses the user entering one or more characters using the keyboard (col 11, line 59 – col 12, line 10) or touch screen (col 11, lines 38-58). When selecting a desired product, the user enters a desired category of products, is presented with an alphabetic list of products in that category, and enters one or more letters to identify the desired product (col 12, line 41 – col 13, line 43).

c. The Applicant argues in reference to Claims 9 and 10 that Girouard does not disclose that the pricing benefit is a discount on the transaction or on the at least one product (pages 5 and 6). The Applicant cites Girouard as disclosing that the "discount tickets typically permit a customer to purchase any item in a particular store at a price reduced by a flat percentage". The Examiner notes that these two claims have been interpreted as differentiating the pricing discount as being either a discount given on the entire transaction or on a specific item, e.g. a 10 percent discount on the total amount of the transaction, or a 10 percent discount only on the one item no matter how many other items are part of the same transaction. Thus, Girouard discloses, as cited by the Applicant above, that the coupon could be a flat percentage off the total transaction price. Girouard also discloses that the user could receive "a coupon or discount for merchandise" (i.e. discount on an item)(col 4, lines 14-15). Furthermore, if the only coupons in Girouard were coupons giving a flat percentage off the total price of a transaction, there would be no need that "Retail outlets, manufacturers, and the mall management would pay to place their coupons on the system" (col 4, lines 37-39). Manufacturers, in particular, would get little, if any, benefit from offering a coupon which gave a flat percentage off the purchase of any item in a particular store, unless that store only offered products by that manufacturer (e.g. factory outlet store).

d. The Applicant argues in reference to Claims 16 and 20 that neither reference discloses that the kiosk is "an enclosure"; that the enclosure allows "a customer to be seated"; or that the kiosk has "privacy means for selectively covering the entrance" (e.g. a curtain)(pages 7 and 8). The Applicant is directed to the expanded explanation in the

rejection of these claims above. As noted, enclosed kiosks with or without seating and with or without a covering over the entrance are well known kiosk designs and would have been obvious design choices depending on the location of the kiosk, the amount of time a user was expected to utilize the kiosk, and the desires of the system owner. As further noted, the shape and design of the kiosk does not affect the claimed steps of determining a pricing benefit (coupon) based on the performance of a pricing activity by the user.

e. The Applicant argues in reference to Claim 19 that neither reference discloses a "means for storing products selected for purchase by the customer" (page 9), which the Applicant further defines in the argument as "storing actual products (e.g. a storage bin)". The Examiner notes, however, that the claim language does not preclude the disclosure of Girouard which sets up (stores) an item list of the products selected for purchase by the customer. The software which generates the item list is a "means for storing products selected for purchase by the customer". Furthermore, even if the claim were amended to limit the means to storing the actual products selected by the customer, implying that the customer has shopped through the stores and has brought the desired products to the kiosk (most likely in a shopping cart), it would have been obvious that the kiosk could be designed with a level surface onto which the selected products could be placed prior to and subsequent to entry into the system or some sort of container (like the aforementioned shopping cart) in which they could be placed. Again, the presence or absence of such a "storage bin" does not affect the claimed

steps of the invention of the user performing a pricing activity and receiving a pricing benefit based on that pricing activity.

f. The Applicant argues in reference to Claim 22 that it would not have been obvious to combine the Girouard and Off references because “Off’s system is intended to be close to a POS, while Girouard’s is not” (pages 10 and 11). The Examiner notes that “close” is a relative term. Since Girouard discloses that the kiosk is located in the mall where the stores (and their POS systems) are located, it is considered that the kiosk is “close” to the POS systems. If, on the other hand, Girouard had disclosed that the kiosk was located in a location other than the mall (e.g. in an airport) and issued coupons for stores in the mall, then it would be considered not to be close to the POS system.

g. The Applicant presents the same arguments in reference to Claim 28 as presented in reference to Claim 1 above. The Applicant is directed to the Examiner’s response to these arguments in paragraph 7a above.

h. The Applicant argues in reference to Claim 4 that the Examiner’s Affidavit is “unsupported allegation of a prior use” and request a reference as support for the allegations. The Examiner notes that an affidavit is a reference. This is not an unsupported allegation of prior use, but a factual account of actions taken by the attestor. While not brought up by the Applicant in this response, the Examiner notes that the original affidavit of April 11, 2003 was inadvertently sent without the proper notarization. The affidavit was re-attested to and notarized on December 11, 2003, and a copy is being forwarded with this action. Since the December affidavit states the

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exact same information as the April affidavit, it is considered to be the same reference and, thus, not considered to be a new grounds of rejection.

Conclusion

8. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

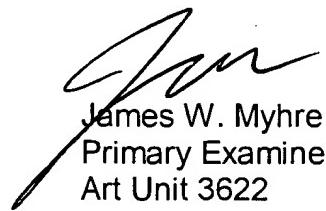
A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached on weekdays from 6:30 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, can be reached on (703) 305-8469. The fax phone number for Formal and Official faxes is (703) 872-9306. Draft or Informal faxes may be submitted directly to the examiner at (703) 746-5544.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (703) 308-1113.


JWM
May 11, 2004


James W. Myhre
Primary Examiner
Art Unit 3622